Basel III - Minimum Disclosure Requirements under Pillar III

As at 30th June 2026

(Un-audited)

National Savings Bank

Market Discipline - Minimum Disclosure Requirements under Pillar III

Key Regulatory Ratios- Capital and Liquidity

Item	Bank		Group	
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
Regulatory Capital(LKR '000)				
Common Equity Tier 1	69,238,218	78,052,964	82,014,499	90,979,664
Tier 1 Capital	74,238,218	83,052,964	87,014,499	95,979,664
Total Capital	79,448,247	89,486,872	92,243,168	102,326,899
Regulatory Capital Ratios(%)				
Common Equity Tier 1 Capital Ratio(Minimum Requirement : 7%)	18.393	23.400	20.939	25.847
Tier 1 Capital Ratio(Minimum Requirement : 8.5%)	19.721	24.899	22.215	27.268
Total Capital Ratio (Minimum Requirement : 12.5%)	21.105	26.827	23.550	29.071
Leverage Ratio(Minimum Requirement : 3%)	8.134	9.342	8.420	9.478
Regulatory Liquidity				
Liquidity Coverage Ratio(%)-Rupee (Minimum Requirement : 100%)	324.34	360.39	N/A	N/A
Liquidity Coverage Ratio(%)-All Currency (Minimum Requirement: 100%)	311.88	349.15	N/A	N/A
NSFR (%)-(Minimum Requirement :100%)	196.17	206.44	N/A	N/A

Basel III Computation of Capital Ratios

(LKR '000)

Item	Bank		Group	
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
Common Equity Tier 1 (CET1) Capital after Adjustments	**69,238,218**	**78,052,964**	**82,014,499**	**90,979,664**
Total Common Equity Tier 1 (CET1) Capital	**91,445,601**	**100,376,888**	**97,663,887**	**106,802,268**
Equity Capital (Stated capital) /Assigned capital	9,400,000	9,400,000	9,400,000	9,400,000
Reserve fund	6,241,292	6,241,292	6,364,888	6,364,888
Published Retained Earnings/(Accumulated Retained Losses)	33,691,874	41,194,517	39,942,838	47,446,100
Published Accumulated other comprehensive income (OCI)	(979,449)	449,194	(1,135,715)	499,402
General and other disclosed reserves	43,091,885	43,091,885	43,091,877	43,091,877
Unpublished current year's profit/(losses) and gains reflected in OCI	-	-	-	-
Ordinary shares issued by consolidated banking and financial subsidiaries of the bank and held by third parties	-	-	-	-
Total Adjustments to CET1 Capital	**22,207,384**	**22,323,924**	**15,649,389**	**15,822,603**
Goodwill (net)	-	-	-	-
Intangible assets (net)	2,154,398	2,380,283	2,157,014	2,383,250
Revaluation losses of property, plant and equipment	46,140	46,140	46,140	46,140
Deferred tax assets (net)	6,450,013	6,562,684	6,480,687	6,562,684
Cash flow hedge reserve	-	-	-	-
Gains on sale related securitisation transactions	-	-	-	-
Defined benefit pension fund assets (Net)	-	-	-	-
Investments in the capital of banking and financial institutions where the bank does not own more than 10 per cent of the issued ordinary share capital of the entity	7,003,746	6,869,005	6,965,548	6,830,529
Significant investments in the capital of financial institutions where the bank owns more than 10 per cent of the issued ordinary share capital of the entity	6,553,087	6,465,812	-	-
Shortfall of the Capital in Financial Subsidiaries	-	-	-	-
Additional Tier 1 (AT1) Capital after Adjustments	**5,000,000**	**5,000,000**	**5,000,000**	**5,000,000**
Total Additional Tier 1 (ATI) Capital	**5,000,000**	**5,000,000**	**5,000,000**	**5,000,000**
Qualifying Additional Tier 1 Capital Instruments	5,000,000	5,000,000	5,000,000	5,000,000
Instruments issued by consolidated banking and financial subsidiaries of the bank and held by third parties	-	-	-	-
Total Adjustments to AT1 Capital	-	-	-	-
Investment in own shares	-	-	-	-

Basel III Computation of Capital Ratios

(LKR '000)

Item	Bank		Group	
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
Tier 2 Capital after Adjustments	**5,210,028**	**6,433,908**	**5,228,669**	**6,347,235**
Total Tier 2 Capital	**8,617,873**	**8,228,923**	**8,616,361**	**8,227,460**
Qualifying Tier 2 Capital Instruments	-	-	-	-
Revaluation gains	5,287,981	5,287,981	5,287,981	5,287,981
Loan Loss Provisions	3,329,893	2,940,942	3,328,380	2,939,479
Instruments issued by consolidated banking and financial subsidiaries of the bank and held by third parties	-	-	-	-
Total Adjustments to Tier 2 Capital	**3,407,845**	**1,795,015**	**3,387,692**	**1,880,225**
Investment in own shares	-	-	-	-
Investments in the capital of financial institutions and where the bank does not own more than 10 per cent of the issued capital carrying voting rights of the issuing entity	3,407,845	1,795,015	3,387,692	1,880,225
CET 1 Capital	**69,238,218**	**78,052,964**	**82,014,499**	**90,979,664**
Total Tier 1 Capital	**74,238,218**	**83,052,964**	**87,014,499**	**95,979,664**
Total Capital	**79,448,247**	**89,486,872**	**92,243,168**	**102,326,899**
Total Risk Weighted Assets(RWA)	**376,443,953**	**333,564,655**	**391,691,049**	**351,992,795**
RWAs for Credit Risk	266,391,417	235,275,343	266,270,377	235,158,315
RWAs for Market Risk	17,728,736	19,030,728	29,761,704	33,450,856
RWAs for Operational Risk	92,323,800	79,258,584	95,658,968	83,383,624
CET I Capital Ratio(including Capital Conservation Buffer,Countercyclical Capital Buffer & Surcharge on D-SIBs(%)	**18.393**	**23.400**	**20.939**	**25.847**
of which :Capital Consrvation Buffer(%)	2.500	2.500	2.500	2.500
of which: Countercyclical Buffer(%)	0.000	0.000	0.000	0.000
of which:Capital Surcharge on D-SIBs(%)	0.000	0.000	0.000	0.000
Total Tier I Capital Ratio(%)	**19.721**	**24.899**	**22.215**	**27.268**
Total Capital Ratio(including Capital Conservation Buffer,Countercyclical Capital Buffer & Surcharge on D-SIBs)(%)	**21.105**	**26.827**	**23.550**	**29.071**
of which :Capital Consrvation Buffer(%)	2.500	2.500	2.500	2.500
of which: Countercyclical Buffer(%)	0.000	0.000	0.000	0.000
of which:Capital Surcharge on D-SIBs(%)	0.000	0.000	0.000	0.000

Computation of Leverage Ratio

(LKR '000)

Item	Bank		Group	
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
Tier I Capital	74,238,218	83,052,964	87,014,499	95,979,664
Total Exposures	912,656,728	889,051,335	1,033,412,873	1,012,691,730
On Balance Sheet Items(excluding Derivatives and Securities Financing Transactions,but including Collateral)	831,572,234	793,166,820	892,413,228	857,156,292
Derivative Exposures	796,245	187,179	796,245	187,179
Securities Financing Transaction Exposures	75,349,958	92,421,368	135,263,607	152,070,790
Other Off-Balance Sheet Exposures	4,938,292	3,275,968	4,939,792	3,277,468
Basel III Leverage Ratio(%)(Tier I/Total Exposure)	8.134%	9.342%	8.420%	9.478%

Basel III Computation of Liquidity Coverage Ratio (Bank)

Item	Amount (LKR '000)			
	30.06.2026		31.12.2025	
	Total Un-weighted value	Total weighted value	Total Un-weighted value	Total Weighted value
Total Stock of High-Quality Liquid Assets(HQLA)	**1,004,010,056**	**1,003,540,859**	**1,051,235,178**	**1,050,812,814**
Total Adjusted Level 1A Assets	**1,002,199,942**	**1,002,199,942**	**1,046,659,027**	**1,046,659,027**
Level 1 Assets	**1,003,071,663**	**1,003,071,663**	**1,050,390,449**	**1,050,390,449**
Total Adjusted Level 2A Assets	-	-	-	-
Level 2A Assets	-	-	-	-
Total Adjusted Level 2B Assets	**938,393**	**469,196**	**844,729**	**422,365**
Level 2B Assets	**938,393**	**469,196**	**844,729**	**422,365**
Total Cash Outflows	**1,642,058,011**	**335,035,062**	**1,605,126,549**	**313,348,971**
Deposits	1,296,400,001	129,640,000	1,285,278,726	128,527,873
Unsecured Wholesale Funding	314,629,173	194,403,016	294,870,115	178,018,806
Secured Funding Transactions	13,126,485	-	13,981,870	-
Undrawn Portion of Committed (Irrevocable)Facilities and Other Contingent Funding Obligations	10,304,126	3,359,843	6,547,498	2,291,450
Additional Requirements	7,633,991	7,633,991	4,514,133	4,514,133
Total Cash Inflows	**41,514,564**	**13,260,259**	**64,999,379**	**12,381,804**
Maturing Secured Lending Transactions Backed by Collateral	27,895,744	6,475,164	49,583,227	4,930,627
Committed Facilities	-	-	-	-
Other Inflows by Counterparty which are Maturing within 30Days	9,780,196	6,283,646	11,701,069	7,382,364
Operational Deposits	3,337,174	-	3,646,270	-
Other Cash Inflows	501,450	501,450	68,813	68,813
Liquidity Coverage Ratio(%)Stock of High Quality Liquid Assets/Total Net Cash Outflow over the Next 30 Calendar Days)*100		**311.88**		**349.15**

Computation of Net Stable Funding Ratio (Bank)

Item	Amount (LKR '000)	
	30.06.2026	31.12.2025
Total Available Stable Funding	1,172,144,928	1,158,737,876
Required Stable Funding – On Balance Sheet Assets	596,743,715	560,706,155
Required Stable Funding – Off Balance Sheet Items	774,630	578,448
Total Required Stable Funding	597,518,345	561,284,602
NSFR	196.17	206.44

Main Features of Regulatory Capital Instruments

Description of the Capital Instrument	
Issuer	National Savings Bank
Unique Identifier	
Governing Law(s) of the Instrument	Sri Lanka
Original Date of Issuance	27th October 2020
Par Value of Instrument	100
Perpetual or Dated	Perpetual
Original Maturity Date	-
Amount Recognised in Regulatory Capital (Rs'000)	5,000,000
Accounting Classification(Euity/Liability)	Liability
Issuer Call subject to Prior Supervisory Approval	
Optional Call Date ,Contingent Call Dates and Redemption Amount(LKR'000)	N/A
Subsequent Call Dates	N/A
Coupons/Dividends	
Fixed or Floating Dividend/Coupon	Floating/Fixed
Coupon Rate and any Related Index	Six (06) Months Treasury Bill Rate +1.50%/9.25%(Fixed)
Non-Cumulative or Cumulative	Non-Cumulative
Convertible or Non -Convertible	
If Convertible, Conversion Trigger(s)	N/A
If Convertible, Fully or Partially	N/A
If Convertible, Mandatory or Optional	N/A
If Convertible, Conversion Rate	N/A

Credit Risk under Standardised Approach (Bank)
Credit Risk Exposures and Credit Risk Mitigation(CRM) Effects

Item	Amount (LKR '000) as at 30.06.2026					
	Exposures before Credit Conversion Factor(CCF)and CRM		Exposures Post CCF and CRM		RWA and RWA Density(%)	
	On Balance Sheet Amount	Off Balance Sheet Amount	On Balance Sheet Amount	Off Balance Sheet Amount	RWA	RWA Density (*)
Claims on Central Government and CBSL	1,010,192,862	6,729,670	974,559,788	134,593	-	-
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-
Claims on Public Sector Entities	127,357,980	323,970	57,491	-	57,491	100.0
Claims on Official Entities and Multilateral Dvelopment Banks	-	-	-	-	-	-
Cliams on Banks Exposures	43,418,627	2,000,000	43,418,627	1,000,000	19,108,798	43.0
Claims on Financial Institutions	38,915,244	-	38,915,244	-	19,275,784	49.5
Cliams on Corporates	12,266,925	3,774,000	12,266,925	1,887,000	14,025,289	99.1
Retail Cliams	417,850,005	1,582,771	376,224,253	2,906	139,386,086	37.0
Claims Secured by Residential Property	59,388,945	1,414,903	59,388,945	707,451	26,392,158	43.9
Claims Secured by Commercial Real Estate	-	-	-	-	-	-
Non -Performing Assets(NPAs)	12,428,104	4,283	12,428,104	2,142	10,973,552	88.3
Higher Risk Categories	757,913	-	757,913	-	1,894,785	250.0
Cash Items and Other Assets	39,790,782	1,204,199	39,790,782	1,204,199	35,277,476	86.1
Total	**1,762,367,387**	**17,033,796**	**1,557,808,071**	**4,938,292**	**266,391,417**	**17.0**

Note:
(*) RWA Density - Total RWA/Exposures post CCF and CRM.

Credit Risk under Standardised Approach (Group)
Credit Risk Exposures and Credit Risk Mitigation(CRM) Effects

Item	Amount (LKR '000) as at 30.06.2026					
	Exposures before Credit Conversion Factor(CCF)and CRM		Exposures Post CCF and CRM		RWA and RWA Density(%)	
	On Balance Sheet Amount	Off Balance Sheet Amount	On Balance Sheet Amount	Off Balance Sheet Amount	RWA	RWA Density (*)
Claims on Central Government and CBSL	1,013,987,821	6,729,670	977,159,456	134,593	-	-
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-
Claims on Public Sector Entities	127,358,145	323,970	57,655	-	57,655	100.0
Claims on Official Entities and Multilateral Dvelopment Banks	-	-	-	-	-	-
Cliams on Banks Exposures	43,483,740	2,000,000	43,483,740	1,000,000	19,125,368	43.0
Claims on Financial Institutions	39,299,566	-	39,299,566	-	19,468,376	49.5
Cliams on Corporates	12,273,436	3,774,000	12,273,436	1,887,000	14,031,800	99.1
Retail Cliams	417,927,740	1,582,771	376,300,187	2,906	139,443,037	37.1
Claims Secured by Residential Property	59,388,945	1,414,903	59,388,945	707,451	26,392,158	43.9
Claims Secured by Commercial Real Estate	-	-	-	-	-	-
Non -Performing Assets(NPAs)	12,434,515	4,283	12,434,515	2,142	10,979,963	88.3
Higher Risk Categories	-	-	-	-	-	-
Cash Items and Other Assets	41,283,835	1,205,699	41,283,835	1,205,699	36,772,019	86.5
Total	**1,767,437,743**	**17,035,296**	**1,561,681,335**	**4,939,791**	**266,270,376**	**17.0**

Note:
(*) RWA Density - Total RWA/Exposures post CCF and CRM.

Market Risk under Standardised Measurement Method (Bank)

Item	RWA Amount(LKR'000) as at 30.06.2026	RWA Amount(LKR'000) as at 31.12.2025
(a)RWA for Interest Rate Risk	**14,604,058**	**15,115,723**
General Interest Rate Risk	14,604,058	15,115,723
(i)Net Long or Short Position	14,604,058.12	15,115,723
(ii)Horizontal Disallowance	-	-
(iii)Vertical Disallowance	-	-
(iv)Options	-	-
Specific Interest Rate Risk	-	-
(b)RWA for Equity	**2,522,664**	**2,642,215**
(i)General Equity Risk	1,466,325	1,531,681
(ii)Specific Equity Risk	1,056,339	1,110,534
(c)RWA for Foreign Exchange & Gold	**602,017**	**1,272,794**
Capital Charge for Market Risk{(a)+(b)+(c)] *CAR	**2,216,092**	**2,378,842**

Market Risk under Standardised Measurement Method (Group)

Item	RWA Amount(LKR'000) as at 30.06.2026	RWA Amount(LKR'000) as at 31.12.2025
(a)RWA for Interest Rate Risk	**26,570,387**	**29,468,135**
General Interest Rate Risk	26,570,387	29,468,135
(i)Net Long or Short Position	26,570,387	29,468,135
(ii)Horizontal Disallowance	-	-
(iii)Vertical Disallowance	-	-
(iv)Options	-	-
Specific Interest Rate Risk	-	-
(b)RWA for Equity	**2,589,307**	**2,709,929**
(i)General Equity Risk	1,505,586	1,571,538
(ii)Specific Equity Risk	1,083,721	1,138,391
(c)RWA for Foreign Exchange & Gold	**602,017**	**1,272,794**
Capital Charge for Market Risk{(a)+(b)+(c)] *CAR	**3,720,214**	**4,181,357**

Operational Risk under Basic Indicator Approach (Bank)

Capital Charge	Capital Charge Factor	Gross Income (LKR'000) as at 30.06.2026			LKR'000
		1st Year	2nd Year	3rd Year	
The Basic Indicator Approach	15%	53,686,943	85,958,534	91,164,021	
Capital Charge					11,540,475
Risk Weighted Amount for Operational Risk					92,323,800

Capital Charge	Capital Charge	Gross Income (LKR'000) as at 31.12.2025			LKR'000
		1st Year	2nd Year	3rd Year	
The Basic Indicator Approach	15%	32,839,382	76,024,916	89,282,155	
Capital Charge					9,907,323
Risk Weighted Amount for Operational Risk					79,258,584

Operational Risk under Basic Indicator Approach (Group)

Capital Charge	Capital Charge Factor	Gross Income (LKR'000) as at 30.06.2026			LKR'000
		1st Year	2nd Year	3rd Year	
The Basic Indicator Approach	15%	58,121,877	89,531,668	91,493,879	
Capital Charge					11,957,371
Risk Weighted Amount for Operational Risk					95,658,968

Capital Charge	Capital Charge	Gross Income (LKR'000) as at 31.12.2025			LKR'000
		1st Year	2nd Year	3rd Year	
The Basic Indicator Approach	15%	37,734,741	79,407,480	91,316,833	
Capital Charge					10,422,953
Risk Weighted Amount for Operational Risk					83,383,624

Differences between Accounting and Regulatory Scopes and Mapping Financial Statement Categories with Regulatory Risk Categories - Bank Only

Item	Amount (LKR'000) as at 30.06.2026				
	a	b	c	d	e
	Carrying Values as Reported in Published Financial Statements	Carrying Values under Scope of Regulatory Reporting	Subject to Credit Risk Framework	Subject to Market Risk Framework	Not Subject to Capital Requirements or Subject to Deduction from Capital
Assets	**1,869,686,821**	**1,869,686,821**	**1,552,464,954**	**89,999,855**	**227,222,011**
Cash and cash equivalents	9,074,433	9,074,433	9,052,728	21,706	-
Balances with Central Bank	160,612	160,612	160,612	-	-
Placements with banks	28,982,558	28,982,558	28,982,558	-	-
Derivative financial instruments	501,450	501,450	-	-	501,450
Financial assets recognized through profit or loss measured at fair value/Other Financial Assets Held for Trading	36,809,622	36,809,622	-	36,348,731	460,891
Financial assets designated at fair value through profit or loss	-	-	-	-	-
Financial assets at amortised cost	-	-	-	-	-
Loans and Advances	-	-	-	-	-
Loans and receivables to banks	33,096,790	33,096,790	10,522,255	-	22,574,535
Loans and receivables to other customers	567,910,273	567,910,273	385,925,491	-	181,984,782
Debt and other instruments/Financial Investments Held to Maturity	1,064,455,223	1,064,455,223	1,064,455,223	-	-
Financial assets measured at fair value through OCI/Financial Investments Available for Sale	60,201,293	60,201,293	29,020	53,629,418	6,542,855
Investments in subsidiaries	7,311,000	7,311,000	757,913	-	6,553,087
Investments in associates and joint ventures	-	-	-	-	-
Property, Plant and Equipment	17,346,021	17,346,021	17,346,021	-	-
Investment properties	-	-	-	-	-
Intangible assets	2,154,398	2,154,398	-	-	2,154,398
Deferred tax assets	6,450,013	6,450,013	-	-	6,450,013
Other assets	35,233,134	35,233,134	35,233,134	-	-
Liabilities	**1,745,778,631**	**1,745,778,631**	-	-	-
Due to banks	192,081	192,081	-	-	-
Derivative financial instruments	-	-	-	-	-
Financial liabilities recognized through profit	-	-	-	-	-
Financial liabilities at amortised cost:	-	-	-	-	-
- Due to depositors	1,633,031,365	1,633,031,365	-	-	-
- due to debt securities holders	-	-	-	-	-
- due to other borrowers	36,969,936	36,969,936	-	-	-
Debt securities issued	11,836,038	11,836,038	-	-	-
Retirement benefit obligations	22,836,545	22,836,545	-	-	-
Current tax liabilities	8,218,193	8,218,193	-	-	-
Deferred tax liabilities	-	-	-	-	-
Other Provisions	-	-	-	-	-
Other liabilities	20,216,997	20,216,997	-	-	-
Due to Subsidiaries	7,390,839	7,390,839	-	-	-
Subordinated Term Debt	5,086,637	5,086,637	-	-	-
Off Balance Sheet Liabilities	17,005,144	17,033,796	15,456,837	-	1,576,959
Guarantees	1,541,194	1,541,194	-	-	1,541,194
Performance Bonds	-	-	-	-	-
Letters of Credit	35,765	35,765	-	-	35,765
Other Contingent Items	6,729,670	6,729,670	6,729,670	-	-
Undrawn Loan Commitments	7,522,968	7,522,968	7,522,968	-	-
Other Commitments	1,175,547	1,204,199	1,204,199	-	-
Sharholders' Equity	9,400,000	9,400,000	-	-	-
Equity Capital(Stated Capital)/Assigned Capital			-	-	-
of which Amount Eligible for CET 1	9,400,000	9,400,000	-	-	-
of which Amount Eligible for AT 1	-	-	-	-	-
Retained Earnings	52,337,519	52,337,519	-	-	-
Accumulated Other Comprehensive Income	4,417,520	4,417,520	-	-	-
Other Reserves	57,753,151	57,753,151	-	-	-
Total Shareholders' Equity	123,908,190	123,908,190	-	-	-